

**ADMINISTRATIVE SERVICES DIVISION
OF THE
DEPARTMENT OF PUBLIC SAFETY**

REQUEST FOR PROPOSALS (RFP)

FINANCIAL AND COMPLIANCE AUDITING SERVICES



RFP #00-79000-21-01498

RFP Release Date: March 29, 2021

Proposal Due Date: April 20, 2021

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I. INTRODUCTION

A. PURPOSE OF THIS REQUEST FOR PROPOSALS

The purpose of the Request for Proposal (RFP) is to solicit sealed proposals to establish a contract through competitive negotiations for the procurement of Independent Public Accountant (IPA) to perform the annual audit of the Department of Public Safety's (DPS) financial statements for fiscal year endings June 30, 2021; June 30, 2022; June 30, 2023; and June 30, 2024.

Qualified IPAs in good standing with the Office of the State Auditor are requested to submit proposals. A qualified IPA must be listed on the New Mexico State Auditor Office's approved audit firm listing allowing them to perform government audits and must meet New Mexico State Audit Rule requirements for firm profile submissions.

The audit must be performed in accordance with:

- 1.) The most recent revisions of Generally Accepted Government Auditing Standards (GAGAS) issues by the United States government accountability office;
- 2.) U.S auditing standards – AICPA (clarified);
- 3.) Uniform administrative requirements, cost principles, and audit requirements for federal awards (Uniform guidance);
- 4.) AICPA audit and accounting guide, government auditing standards and single audits (AAG GAS) latest edition;
- 5.) AICPA audit and accounting guide, state, and local governments (AAG SLV) latest editions; and
- 6.) 2.2.2 NMAC, requirements for contracting and conducting audits of agencies (New Mexico State Audit Rule), latest edition.

B. BACKGROUND INFORMATION

The Department of Public Safety is a cabinet-level agency in the Executive Branch of New Mexico State Government. The Department is headed by a Cabinet Secretary appointed by the Governor and confirmed by the New Mexico State Senate. The Department contains approximately 1,221 full time employees and an annual budget of \$158 million.

The Departments core mission is committed to providing the highest quality of public safety services for the State of New Mexico. The Departments mission aligns to protect human life and property through the detection and prevention of criminal activity and enforcement of state laws. The Department strives to provide vital leadership, scientific, training, technical and operational support to the criminal justice community and the public.

The Department of Public Safety is made up of three primary program codes, Law Enforcement Support (P504), Statewide Law Enforcement Support (P786) and Program Support (P503). The programs are summarized as follows:

Law Enforcement Program (P504) – State Police Division:

- The Purpose of the Law Enforcement Program is to provide high quality public safety services to the State of New Mexico and its law enforcement community. This program houses the New Mexico State Police force. The New Mexico State Police are constantly evaluating and developing strategies to become a national model in providing ethical, innovative, effective, efficient, and customer-oriented public safety services to our citizens and New Mexican visitors.

Statewide Law Enforcement Services Program (P786) - Technical Services Division – Law Enforcement Records Bureau:

- The purpose of the Law Enforcement Records Bureau is to gather, analyze and disseminate criminal justice data used by New Mexico law enforcement, criminal justice, corrections, and courts to ensure public safety. This Program takes pride in their work, the integrity of its data, innovative spirit, and role to preserve and protect this important New Mexico resource.

Statewide Law Enforcement Services Program (P786) – Technical Services Division – Forensic Laboratory Bureau:

- The purpose of the Forensic Lab is to support all New Mexico law enforcement, criminal justice, and court systems by analyzing forensic evidence collected at crime scenes and presenting their findings in court based on the results of their analysis.

Statewide Law Enforcement Services Program (P786) – Information Technology Division:

- The purpose of the Information Technology Division (ITD) is to work at the center of the criminal justice and law enforcement systems in New Mexico, delivering real-time criminal justice data to the fingertips of all law enforcement, correction, courts, and criminal justice agencies in New Mexico.

Statewide Law Enforcement Services Program (P786) – Law Enforcement Academy:

- The purpose of the Statewide Law Enforcement Support Program-Law Enforcement Academy is to provide basic training and in-service instruction to cadets, officers and telecommunicators training statewide to promote a safe and secure environment for the State of New Mexico's citizens regarding policing practices. The Academy's mission is innovative leadership for the state's law enforcement community.

Program Support (P503) – Administrative Support:

- The purpose of program support is to manage the agency's financial resources, assist in attracting and retaining a quality workforce, and provide sound legal advice while promoting a pleasant working environment. Within this Administrative Support the Division administers federal funding from various agencies. The Department's federal grants consist of funding received from the Department of Justice (DOJ), Federal Motor Carrier Safety Administration (FMCSA), US Department of Transportation, Department of Energy, Department of Homeland Security, Executive Office of the

President – High Intensity Drug Trafficking Areas, US Treasury for Coronavirus Relief, and any various other federal grants.

C. SCOPE OF PROCUREMENT

The Department of Public Safety is seeking audit services identified in this RFP for four (4) June 30th fiscal year end dates. The audit services are to cover fiscal year ending dates of June 30, 2021; June 30, 2022; June 30, 2023; and June 30, 2024.

The term of the contract shall be one year, with the option to extend for three additional one-year terms at the same price, terms and conditions stated on the original proposal. The scope of procurement shall encompass the Specifications Section IV of this RFP. The contract shall become effective upon signature of the Office of the State Auditor.

The resulting contract will be a single award.

D. PROCUREMENT MANAGER

Department of Public Safety has designated a Procurement Manager who is responsible for the conduct of this procurement whose name, address, telephone number and e-mail address are listed below:

Name: Yvette Gonzales, Procurement Manager
Address: 4491 Cerrillos Road
Santa Fe, New Mexico 87507
Telephone: (505) 372-8824
Fax: (505) 827-9169
Email: yvette.gonzales3@state.nm.us

1. **Any inquiries or requests** regarding this procurement should be submitted, in writing, to the Procurement Manager. Offerors may contact **ONLY** the Procurement Manager regarding this procurement. Other state employees or Evaluation Committee members do not have the authority to respond on behalf of the Department of Public Safety.
2. **Protests of the solicitation or award must be submitted in writing to the Protest Manager identified in Section II.B.11.** As a Protest Manager has been named in this Request for Proposals, pursuant to §13-1-172, NMSA 1978 and 1.4.1.82 NMAC, **ONLY** protests delivered directly to the Protest Manager in writing and in a timely fashion will be considered to have been submitted properly and in accordance with statute, rule, and this Request for Proposals. Protests submitted or delivered to the Procurement Manager will **NOT** be considered properly submitted.

E. DEFINITION OF TERMINOLOGY

This section contains definitions and abbreviations that are used throughout this procurement document.

"Agency" means New Mexico Department of Public Safety (DPS). This term is used interchangeably with "Department" and "DPS."

"Audit Rule" means NMAC 2.2.2 (Title 2-Public Finance, Chapter 2-Audits of Governmental Entities, Part 2-Requirements for Contracting & Conducting Audits of Agencies). New Mexico State Auditor Rule (2.2.2 NMAC) is posted on the New Mexico Office of the State Auditor's website at www.osanm.org.

"Award" means the final execution of the contract document.

"Business Hours" means 8:00 AM thru 5:00 PM Mountain Standard or Mountain Daylight Time, whichever is in effect on the date given.

"CFO" means the Chief Financial Officer of The New Mexico Department of Public Safety.

"Close of Business" means 5:00 PM Mountain Standard or Daylight Time, whichever is in use at that time.

"Confidential" means confidential financial information concerning offeror's organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act NMSA 1978 57-3-A-1 to 57-3A-7. See NMAC 1.4.1.45. As one example, no information that could be obtained from a source outside this request for proposals can be considered confidential information.

"Contract Manager" means the individual selected by the Agency to monitor and manage all aspects of the contract resulting from this RFP.

"Contractor" means an employer contracting with the State of New Mexico, which employer has, had, or anticipates having six (6) or more employees who worked, are working, or are expected to work an average of at least twenty hours per week over a six-month period, with said six month period being at any time during the year prior to seeking the contract(s) with the State, or any time during the term of the contract(s) with the State;

"CPO" means the Chief Procurement Officer from the authorizing State Agency sponsoring the procurement action.

"CRB" means the Contracts Review Board of the General Services Department.

"Deliverable" means any measurable, tangible, verifiable outcome, result, or item that must be produced to complete a project or part of a project.

“Department of Information Technology” means the New Mexico Department of Information Technology which is responsible for operating the data center and all communications related items.

“Desirable”—The terms “may,” “can,” “should,” “preferably,” or “prefers” to identify a desirable or discretionary item or factor (as opposed to “mandatory”).

“Determination” means the written documentation of a decision of a procurement manager including findings of fact supporting a decision. A determination becomes part of the procurement file to which it pertains.

“DFA” means the Department of Finance and Administration for the State of New Mexico.

“DPS” means the Department of Public Safety. This term is used interchangeably with “Agency” and “Department.”

“Employer” means any for-profit or not-for-profit business, regardless of location, that employs one or more persons that qualify as a “New Mexico Employee”. (See below.) Such definition does not include governmental entities.

“Evaluation Committee” means a body appointed by the Agency management to perform the evaluation of Offeror proposals.

“Evaluation Committee Report” means a report prepared by the Procurement Manager and the Evaluation Committee for submission to the State Purchasing Agent for contract award that contains all written determinations resulting from the conduct of a procurement requiring the evaluation of competitive sealed proposals.

“Finalist” is defined as an Offeror who meets all the mandatory specifications of the Request for Proposal and whose score on evaluation factors is sufficiently high to qualify that Offeror for further consideration by the Evaluation Committee.

“FY” means Fiscal Year.

“FYE” means Fiscal Year Ended.

“GAAP” means Generally Accepted Accounting Principles.

“GAAS” means Generally Accepted Auditing Standards.

“GAGAS” means Governmental Accounting Standards Board.

“Hourly Rate” means the proposed fully loaded maximum hourly rates that include travel, per diem, fringe benefits and any overhead costs for contractor personnel, as well as subcontractor personnel if appropriate.

“IPA” means Independent Public Accountant.

“Mandatory” The terms “must,” “shall,” “will,” “is required,” identify a mandatory item or factor (as opposed to “desirable”). Failure to meet a mandatory item or factor will result in the rejection of the Offeror’s proposal.

“Milestone” means a significant event in a project, usually the completion of a major deliverable.

“New Mexico Employee” means any resident of the State of New Mexico, performing the majority of their work within the State of New Mexico, for any employer regardless of the location of the employer’s office or offices.

“Offer” means to make available to all New Mexico employees, without unreasonable restriction, enrollment in one or more health coverage plans and to actively seek and encourage participation in order to achieve the goals of the Executive Order. This could include State publicly financed public health coverage programs such as *Insure New Mexico!*

“Offeror” is any person, corporation, or partnership who chooses to submit a proposal.

“OSA” means Office of the State Auditor.

“Procurement Distribution List” is a list of potential Offerors that have completed and submitted the Acknowledgement of Receipt form to the Procurement Manager.

“Procurement Manager” means the person or designee authorized by the Agency to manage or administer a procurement requiring the evaluation of competitive sealed proposals. The Procurement Manager is the only person authorized to respond to questions regarding the scope of the services to be performed under this RFP.

“Procuring Agency” means all State of New Mexico agencies, commissions, institutions, political subdivisions, and local public bodies allowed by law to entertain procurements.

“Redacted” means a version/copy of the proposal with the information considered confidential as defined by NMAC 1.4.1.45 and defined herein and outlined in Section II.C.8 of this RFP blacked out BUT NOT omitted or removed.

“Request for Proposals” or “RFP” means all documents, including those attached or incorporated by reference, used for soliciting proposals.

“Requirements” are obligatory and mean the system functions that are related to the organization’s goals and business opportunities. Requirements are defined by the project team and are usually prioritized.

“Responsive Offer or Responsive Proposal” means an offer or proposal that conforms in all material respects to the requirements set forth in the request for proposals. Material respects of a request for proposals include, but are not limited to, price, quality, quantity, or delivery requirements.

“Responsible Offeror” means an Offeror who submits a responsive proposal and who has furnished, when required, information and data to prove that his financial resources, production, or service facilities, personnel, service reputation, and experience are adequate to make satisfactory delivery of the services or items of tangible personal property described in the proposal.

“Sealed” means, in terms of a non-electronic submission, that the proposal is enclosed in a package which is completely fastened in such a way that nothing can be added or removed. Open packages submitted will not be accepted except for packages that may have been damaged by the delivery service itself. The State reserves the right, however, to accept or reject packages where there may have been damage done by the delivery service itself. Whether a package has been damaged by the delivery service or left unfastened and should or should not be accepted is a determination to be made by the Procurement Manager. By submitting a proposal, the Offeror agrees to and concurs with this process, and accepts the determination of the Procurement Manager in such cases.

“SPD” means State Purchasing Division of the New Mexico State General Services Department.

“Solicitations” means ITBs and RFPs.

“Staff” means any individual who is a full-time, part-time, or an independently contracted employee with the Offerors’ company.

“State (the State)” means the State of New Mexico.

“State Agency” means any department, commission, council, board, committee, institution, legislative body, agency, government corporation, educational institution or official of the executive, legislative or judicial branch of the government of this state. “State agency” includes the purchasing division of the general services department and the state purchasing agent but does not include local public bodies.

“State Purchasing Agent” means the director of the purchasing division of the general services department.

“Statement of Concurrence” means an affirmative statement from the Offeror to the required specification agreeing to comply and concur with the stated requirement(s). This statement shall be

included in Offeror's proposal. (E.g., "We concur", "Understands and Complies", "Comply", "Will Comply if Applicable" etc.)

"Unredacted" means a version/copy of the proposal containing all complete information including any that the Offeror would otherwise consider confidential, such copy for use only for the purposes of evaluation.

"Written" means typewritten on standard 8 ½ x 11-inch paper. Larger paper is permissible for charts, spreadsheets, etc.

F. PROCUREMENT LIBRARY

A procurement library has been established. Offerors are encouraged to review the material contained in the Procurement Library by selecting the link provided in the electronic version of this document through your own internet connection. The library contains information listed below:

Electronic version of RFP, Questions & Answers, RFP Amendments, etc.

<https://www.dps.nm.gov/index.php/top-links-for-nm-residents/current-solicitations>

Other relevant links:

Offerors are encouraged to review the information listed below:

New Mexico Procurement Regulations are available at:

<http://www.generalservices.state.nm.us/statepurchasing/>

New Mexico State Auditor Rule (2.2.2 NMAC) is posted on the New Mexico Office of the State Auditor's website at: www.osanm.org.

Audit copies for prior years may be viewed at: <http://www.osanm.org>

II. CONDITIONS GOVERNING THE PROCUREMENT

This section of the RFP contains the schedule of events, the descriptions of each event, and the conditions governing this procurement.

A. SEQUENCE OF EVENTS

The Procurement Manager will make every effort to adhere to the following schedule:

Action	Responsible Party	Due Dates
1. Issue RFP	Agency	March 29, 2021
2. Acknowledgement of Receipt Form	Potential Offerors	April 6, 2021
3. Pre-Proposal Conference	Agency	April 6, 2021
4. Deadline to submit Written Questions	Potential Offerors	April 8, 2021
5. Response to Written Questions	Procurement Manager	April 12, 2021
6. <i>Submission of Proposal</i>	<i>Potential Offerors</i>	<i>April 20, 2021</i>
7.* Proposal Evaluation	Evaluation Committee	April 21, 2021
8.* Selection of Finalists	Evaluation Committee	April 28, 2021
9.* Finalize Contractual Agreements	Agency/Finalist Offerors	May 13, 2021
10.* Contract Awards	Agency/ Finalist Offerors	May 14, 2021
11. Protest Deadline	SPD	+15 days

* Dates indicated in Events 7 through 10 are estimates only and may be subject to change without necessitating an amendment to the RFP.

B. EXPLANATION OF EVENTS

The following paragraphs describe the activities listed in the Sequence of Events shown in Section II.A., above.

1. Issue RFP

- This RFP is being issued on behalf of the State of New Mexico Department of Public Safety on the date indicated in Section II.A, Sequence of Events. RFP can be obtained from the DPS Website:**

<https://www.dps.nm.gov/index.php/top-links-for-nm-residents/current-solicitations> **Acknowledgement of Receipt Form**

Potential Offerors may e-mail the Acknowledgement of Receipt Form (APPENDIX A), to the Procurement Manager, yvette.gonzales3@state.nm.us, to have their organization placed on the procurement Distribution List. The form must be returned to the Procurement Manager by 3:00 pm MST/ MDT on the date indicated in Section II.A, Sequence of Events

The procurement distribution list will be used for the distribution of written responses to questions, and/or any amendments to the RFP. Failure to return the Acknowledgement of Receipt Form does not prohibit potential Offerors from submitting a response to this RFP. However, by not returning the Acknowledgement of Receipt Form, the potential Offeror's representative shall not be included on the distribution list and will be solely responsible for obtaining from the Procurement Library (Section I.G.) responses to written questions and any amendments to the RFP.

3. Pre-Proposal Conference

A pre-proposal conference will be held as indicated in Section II.A, Sequence of Events, beginning at 3:00 MST/MDT via Zoom.

Join Zoom Meeting

<https://us02web.zoom.us/j/89818144194?pwd=YVV3Tzk4RXZ3TjVPQ1Y5a1J4bE9ldz09>

Meeting ID: 898 1814 4194

Passcode: 7CvGNs

Potential Offeror(s) are encouraged to submit written questions in advance of the conference to the Procurement Manager (see Section I.D). The identity of the organization submitting the question(s) will not be revealed. Additional written questions may be submitted at the conference. All questions answered during the Pre-Proposal Conference will be considered **unofficial** until they are posted in writing. All written questions will be addressed in writing on the date listed in Section II.A, Sequence of Events. A public log will be kept of the names of potential Offeror(s) that attended the pre-proposal conference.

Attendance at the pre-proposal conference is **highly recommended**, but not a prerequisite for submission of a proposal.

4. Deadline to Submit Written Questions

Potential Offerors may submit written questions to the Procurement Manager as to the intent or clarity of this RFP until 3:00 pm MST/MDT as indicated in Section II.A, Sequence of Events. All written questions must be addressed to the Procurement Manager

as declared in Section I.D. Questions shall be clearly labeled and shall cite the Section(s) in the RFP or other document which form the basis of the question.

5. Response to Written Questions

Written responses to the written questions will be provided via e-mail, on or before the date indicated in Section II.A, Sequence of Events, to all potential Offerors who timely submitted an Acknowledgement of Receipt Form (Section II.B.2 and APPENDIX A).

An electronic version of the Questions and Answers will be posted to:

<https://www.dps.nm.gov/index.php/top-links-for-nm-residents/current-solicitations>

6. Submission of Proposal

ALL PROPOSALS MUST BE RECEIVED BY THE PROCUREMENT MANAGER OR DESIGNEE NO LATER THAN **3:00 PM MST/MDT ON APRIL 20, 2021. NO LATE PROPOSAL CAN BE ACCEPTED.** The date and time of receipt will be recorded on each proposal.

Proposals must be addressed and delivered to the Procurement Manager at the address listed in Section I.D.2. Proposals must be sealed and labeled on the outside of the package to clearly indicate that they are in response to the Financial and Compliance Auditing Services #00-79000- 21-01498. Proposals submitted by facsimile, or other electronic means, will not be accepted.

A log will be kept of the names of all Offeror organizations that submitted proposals. Pursuant to §13-1-116, NMSA 1978, the contents of proposals shall not be disclosed to competing potential Offerors during the negotiation process. The negotiation process is deemed to be in effect until the contract is awarded pursuant to this Request for Proposals. Awarded in this context means that the final required state agency signature on the contract(s) resulting from the procurement has been obtained.

7. Proposal Evaluation

An Evaluation Committee will perform the evaluation of proposals. This process will take place as indicated in Section II.A, Sequence of Events, depending upon the number of proposals received. This date is subject to change at the discretion of the Agency. During this time, the Procurement Manager may initiate discussions with Offerors who submit responsive or potentially responsive proposals for the purpose of clarifying aspects of the proposals. However, proposals may be accepted and evaluated without such discussion. Discussions SHALL NOT be initiated by the Offerors.

8. Selection of Finalists

The Evaluation Committee will select, and the Procurement Manager will notify the finalist Offerors as per schedule Section II.A, Sequence of Events or as soon as possible thereafter. The date is subject to change at the discretion of the Agency. The Potential Award will be offered to the Offeror receiving the highest cumulative score in the following Sections: Section IV.B.2 Firm Capability & Capacity, Section IV.B.3 Partner, Supervisory and Staff Qualifications and Experience, Section IV.B.4 General Audit Approach, Section IV.B.5 Identification of Anticipated Potential Audit Problems, Section IV.B.7 Prior Engagements with the State of New Mexico, Section IV.B.8 Organizational Reference Questionnaire, Section IV.C.2 Cost.

9. Finalize Contractual Agreements

After approval of the Evaluation Committee Report, any contractual agreement(s) resulting from this RFP will be finalized with the most advantageous Offeror(s), taking into consideration the evaluation factors set forth in this RFP, as per Section II.A., Sequence of Events, or as soon as possible thereafter. This date is subject to change at the discretion of the Agency. The most advantageous proposal may or may not have received the most points. In the event mutually agreeable terms cannot be reached with the apparent most advantageous Offeror in the timeframe specified, the State reserves the right to finalize a contractual agreement with the next most advantageous Offeror(s) without undertaking a new procurement process.

10. Contract Awards

Upon receipt of the signed contractual agreement, the Agency Procurement office will award as per Section II.A., Sequence of Events, or as soon as possible thereafter. This date is subject to change at the discretion of the Agency. The award is subject to appropriate Department and State approval.

11. Protest Deadline

Any protest by an Offeror must be timely submitted and in conformance with §13-1-172, NMSA 1978 and applicable procurement regulations. As a Protest Manager has been named in this Request for Proposals, pursuant to §13-1-172, NMSA 1978 and 1.4.1.82 NMAC, ONLY protests delivered directly to the Protest Manager in writing and in a timely fashion will be considered to have been submitted properly and in accordance with statute, rule, and this Request for Proposals. The 15-calendar day protest period shall begin on the day following the notice of award of contract(s) and will end at 5:00 pm MST/MDT on the 15th day. Protests must be written and must include the name and address of the protestor and the request for proposal number. It must also contain a statement of the grounds for protest including appropriate supporting exhibits and it must specify the ruling requested from the party listed below. The protest must be delivered to:

**Roger Romero, Chief Procurement Officer
Department Public Safety
4491 Cerrillos Road
Santa Fe, New Mexico 87507**

PROTESTS RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.

C. GENERAL REQUIREMENTS

1. Acceptance of Conditions Governing the Procurement

Potential Offerors must indicate their acceptance of these Conditions Governing the Procurement, Section II.C, by completing and signing the Letter of Transmittal form, pursuant to the requirements in Section II.C.30, located in APPENDIX E.

2. Incurring Cost

Any cost incurred by the potential Offeror in preparation, transmittal, and/or presentation of any proposal or material submitted in response to this RFP shall be borne solely by the Offeror. Any cost incurred by the Offeror for set up and demonstration of the proposed equipment and/or system shall be borne solely by the Offeror.

3. Prime Contractor Responsibility

Any contractual agreement that may result from this RFP shall specify that the prime contractor is solely responsible for fulfillment of all requirements of the contractual agreement with a State Agency which may derive from this RFP. The State Agency entering into a contractual agreement with a vendor will only make payments to the prime contractor.

4. Subcontractors

The use of subcontractors is not allowed. The prime contractor shall be wholly responsible for the entire performance of the contractual agreement.

5. Amended Proposals

An Offeror may submit an amended proposal before the deadline for receipt of proposals. Such amended proposals must be complete replacements for a previously submitted proposal and must be clearly identified as such in the transmittal letter. **Agency personnel will not merge, collate, or assemble proposal materials.**

6. Offeror's Rights to Withdraw Proposal

Offerors will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. The Offeror must submit a written withdrawal request addressed to the Procurement Manager and signed by the Offeror's duly authorized representative.

The approval or denial of withdrawal requests received after the deadline for receipt of the proposals is governed by the applicable procurement regulations, 1.4.1.21 & 1.4.1.36 NMAC.

7. Proposal Offer Firm

Responses to this RFP, including proposal prices for services, will be considered firm for one-hundred twenty (120) days after the due date for receipt of proposals or ninety (90) days after the due date for the receipt of a best and final offer, if the Offeror is invited or required to submit one.

8. Disclosure of Proposal Contents

The contents of all submitted proposals will be kept confidential until the final award has been completed by the Agency. At that time, all proposals and documents pertaining to the proposals will be available for public inspection, *except* for proprietary or confidential material as follows:

- a. *Proprietary and Confidential information is restricted to:*
 1. confidential financial information concerning the Offeror's organization; and
 2. information that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act, §§57-3A-1 through 57-3A-7, NMSA 1978.
- b. An additional but separate redacted version of Offeror's proposal, as outlined and identified in Sections III.B.1.i and III.B.2.i, shall be submitted containing the blacked-out proprietary or confidential information, in order to facilitate eventual public inspection of the non-confidential version of Offeror's proposal.

IMPORTANT: The price of products offered, or the cost of services proposed **SHALL NOT** be designated as proprietary or confidential information.

If a request is received for disclosure of proprietary or confidential materials, the Agency shall examine the request and make a written determination that specifies which portions of the proposal should be disclosed. Unless the Offeror takes legal action to prevent the disclosure, the proposal will be so disclosed. The proposal shall be open to public inspection subject to any continuing prohibition on the disclosure of proprietary or confidential information.

9. No Obligation

This RFP in no manner obligates the State of New Mexico or any of its Agencies to the use of any Offeror's services until a valid written contract is awarded and approved by appropriate authorities.

10. Termination

This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when the Agency determines such action to be in the best interest of the State of New Mexico.

11. Sufficient Appropriation

Any contract awarded as a result of this RFP process may be terminated if sufficient appropriations or authorizations do not exist. Such terminations will be affected by sending written notice to the contractor. The Agency's decision as to whether sufficient appropriations and authorizations are available shall be accepted by the contractor as final.

12. Legal Review

The Agency requires that all Offerors agree to be bound by the General Requirements contained in this RFP. Any Offeror's concerns must be promptly submitted in writing to the attention of the Procurement Manager.

13. Governing Law

This RFP and any agreement with an Offeror which may result from this procurement shall be governed by the laws of the State of New Mexico.

14. Basis for Proposal

Only information supplied in writing by the Procurement Manager or contained in this RFP or on the website of the Office of the State Auditor (www.saonm.nm) shall be used as the basis for the preparation of Offeror proposals.

15. Contract Terms and Conditions

The contract between an agency and a contractor will follow the format specified by the Agency and contain the terms and conditions set forth in the Draft Contract Appendix C. However, the contracting agency reserves the right to negotiate provisions in addition to those contained in this RFP (Draft Contract) with any Offeror. The contents of this RFP, as revised and/or supplemented, and the successful Offeror's proposal will be incorporated into and become part of any resultant contract.

The Agency discourages exceptions from the contract terms and conditions as set forth in the RFP Draft Contract (APPENDIX C). Such exceptions may cause a proposal to be rejected as nonresponsive when, in the sole judgment of the Agency (and its evaluation team), the proposal appears to be conditioned on the exception, or correction of what is deemed to be a deficiency, or an unacceptable exception is proposed which would require a substantial proposal rewrite to correct.

Should an Offeror object to any of the terms and conditions as set forth in the RFP Draft Contract (APPENDIX C) strongly enough to propose alternate terms and conditions in spite of the above, the Offeror must propose **specific** alternative language. The Agency may or may not accept the alternative language. General references to the Offeror's terms and conditions or attempts at complete substitutions of the Draft Contract are not acceptable to the Agency and will result in disqualification of the Offeror's proposal.

Offerors must provide a brief discussion of the purpose and impact, if any, of each proposed change followed by the specific proposed alternate wording.

If an Offeror fails to propose any alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror), no proposed alternate terms and conditions will be considered later during the negotiation process. Failure to propose alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror) is an **explicit agreement** by the Offeror that the contractual terms and conditions contained herein are **accepted** by the Offeror.

16. Offeror's Terms and Conditions

Offerors must submit with the proposal a complete set of any additional terms and conditions they expect to have included in a contract negotiated with the Agency. See Section II.C.15 for requirements.

17. Contract Deviations

Any additional terms and conditions, which may be the subject of negotiation (such terms and conditions having been proposed during the procurement process, that is, the RFP process prior to selection as successful Offeror), will be discussed only between the Agency and the Offeror selected and shall not be deemed an opportunity to amend the Offeror's proposal.

18. Offeror Qualifications

The Evaluation Committee may make such investigations as necessary to determine the ability of the potential Offeror to adhere to the requirements specified within this RFP. The Evaluation Committee will reject the proposal of any potential Offeror who is not a

Responsible Offeror or fails to submit a Responsive Offer as defined in §13-1-83 and §13-1-85, NMSA 1978.

19. Right to Waive Minor Irregularities

The Evaluation Committee reserves the right to waive minor irregularities. The Evaluation Committee also reserves the right to waive mandatory requirements, provided that all of the otherwise responsive proposals failed to meet the same mandatory requirements and the failure to do so does not otherwise materially affect the procurement. This right is at the sole discretion of the Evaluation Committee.

20. Change in Contractor Representatives

The Agency reserves the right to require a change in contractor representatives if the assigned representative(s) is (are) not, in the opinion of the Agency, adequately meeting the needs of the Agency.

21. Notice of Penalties

The Procurement Code, §§13-1-28 through 13-1-199, NMSA 1978, imposes civil, and misdemeanor and felony criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks.

22. Agency Rights

The Agency, in agreement with the Evaluation Committee, reserves the right to accept all or a portion of a potential Offeror's proposal.

23. Right to Publish

Throughout the duration of this procurement process and contract term, Offerors and contractors must secure from the agency written approval prior to the release of any information that pertains to the potential work or activities covered by this procurement and/or agency contracts deriving from this procurement. Failure to adhere to this requirement may result in disqualification of the Offeror's proposal or removal from the contract.

24. Ownership of Proposals

All documents submitted in response to the RFP shall become property of the State of New Mexico. If the RFP is cancelled, all responses received shall be destroyed by the Agency unless the Offeror either picks up, or arranges for pick-up, the materials within three (3) business days of notification of the cancellation. Offeror is responsible for all costs involved in return mailing/shipping of proposals.

25. Confidentiality

Any confidential information provided to, or developed by, the contractor in the performance of the contract resulting from this RFP shall be kept confidential and shall not be made available to any individual or organization by the contractor without the prior written approval of the Agency.

The Contractor(s) agrees to protect the confidentiality of all confidential information and not to publish or disclose such information to any third party without the procuring Agency's written permission.

26. Electronic mail address required

A large part of the communication regarding this procurement will be conducted by electronic mail (e-mail). Offeror must have a valid e-mail address to receive this correspondence. (See also Section II.B.5, Response to Written Questions).

27. Use of Electronic Versions of this RFP

This RFP is being made available by electronic means. In the event of conflict between a version of the RFP in the Offeror's possession and the version maintained by the agency, the Offeror acknowledges that the version maintained by the agency shall govern.

28. New Mexico Employees Health Coverage

- A. If the Offeror has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Offeror must agree to have in place, and agree to maintain for the term of the contract, health insurance for those employees if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.
- B. Offeror must agree to maintain a record of the number of employees who have (a) accepted health insurance; (b) decline health insurance due to other health insurance coverage already in place; or (c) decline health insurance for other reasons. These records are subject to review and audit by a representative of the state.
- C. Offeror must agree to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information <https://bewellnm.com>.
- D. For Indefinite Quantity, Indefinite Delivery contracts (price agreements without specific limitations on quantity and providing for an indeterminate number of orders to be placed against it); these requirements shall apply the first day of the second month

after the Offeror reports combined sales (from state and, if applicable, from local public bodies if from a state price agreement) of \$250,000.

29. Campaign Contribution Disclosure Form

Offeror must complete, sign, and return the Campaign Contribution Disclosure Form, APPENDIX B, as a part of their proposal. This requirement applies regardless whether a covered contribution was made or not made for the positions of Governor and Lieutenant Governor or other identified official. **Failure to complete and return the signed, unaltered form will result in Offeror's disqualification.**

30. Letter of Transmittal

Offeror's proposal must be accompanied by an **unaltered** Letter of Transmittal Form (APPENDIX E), which must be **completed** and **signed** by the individual authorized to contractually obligate the company, identified in #2 below. **DO NOT LEAVE ANY OF THE ITEMS ON THE FORM BLANK** (N/A, None, Does not apply, etc. are acceptable responses).

The Letter of Transmittal MUST:

1. Identify the submitting business entity (its Name, Mailing Address and Phone Number);
2. Identify the Name, Title, Telephone, and E-mail address of the person authorized by the Offeror's organization to (A) contractually obligate the business entity providing the Offer, (B) negotiate a contract on behalf of the organization; and/or (C) provide clarifications or answer questions regarding the Offeror's proposal content (*A response to B and/or C is only required if the responses differs from the individual identified in A*);
3. Subcontractors will not be allowed in the performance of any awarded contract.
4. Describe any relationship with any other entity (such as State Agency, reseller, etc., that is not a subcontractor identified in #3), if any, which will be used in the performance of this awarded contract; and
5. Be signed and dated by the person identified in #2 above; attesting to the veracity of the information provided and acknowledging (a) the organization's acceptance of the Conditions Governing the Procurement stated in Section II.C.1, (b) the organizations acceptance of the Section V Evaluation Factors, and (c) receipt of any and all amendments to the RFP.

Failure to respond to ALL items as indicated above, will result in Offeror's disqualification.

31. Disclosure Regarding Responsibility

- A. Any prospective Contractor and any of its Principals who enter into a contract greater than sixty thousand dollars (\$60,000.00) with any state agency or local public body for professional services, tangible personal property, services, or construction agrees to disclose whether the Contractor, or any principal of the Contractor's company:
1. Is presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, state agency or local public body;
 2. Has within a three-year period preceding this offer, been convicted in a criminal matter or had a civil judgment rendered against them for:
 - a. the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) contract or subcontract;
 - b. violation of Federal or state antitrust statutes related to the submission of offers; or
 - c. the commission in any federal or state jurisdiction of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, tax evasion, violation of Federal criminal tax law, or receiving stolen property;
 3. Is presently indicted for, or otherwise criminally or civilly charged by any (federal state or local) government entity with the commission of any of the offenses enumerated in paragraph A of this disclosure;
 4. Has, preceding this offer, been notified of any delinquent Federal or state taxes in an amount that exceeds \$3,000.00 of which the liability remains unsatisfied. Taxes are considered delinquent if the following criteria apply.
 - a. The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge of the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
 - b. The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.
 - c. Have within a three-year period preceding this offer, had one or more contracts terminated for default by any federal or state agency or local public body.)
- B. Principal, for the purpose of this disclosure, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity or related entities.
- C. The Contractor shall provide immediate written notice to the State Purchasing Agent or other party to this Agreement if, at any time during the term of this Agreement, the Contractor learns that the Contractor's disclosure was at any time erroneous or became erroneous by reason of changed circumstances.

- D. A disclosure that any of the items in this requirement exist will not necessarily result in termination of this Agreement. However, the disclosure will be considered in the determination of the Contractor's responsibility and ability to perform under this Agreement. Failure of the Contractor to furnish a disclosure or provide additional information as requested will render the Offeror nonresponsive.
- E. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the disclosure required by this document. The knowledge and information of a Contractor is not required to exceed that which is the normally possessed by a prudent person in the ordinary course of business dealings.
- F. The disclosure requirement provided is a material representation of fact upon which reliance was placed when making an award and is a continuing material representation of the facts during the term of this Agreement. If during the performance of the contract, the Contractor is indicted for or otherwise criminally or civilly charged by any government entity (federal, state, or local) with commission of any offenses named in this document the Contractor must provide immediate written notice to the State Purchasing Agent or other party to this Agreement. If it is later determined that the Contractor knowingly rendered an erroneous disclosure, in addition to other remedies available to the Government, the State Purchasing Agent or Central Purchasing Officer may terminate the involved contract for cause. Still further the State Purchasing Agent or Central Purchasing Officer may suspend or debar the Contractor from eligibility for future solicitations until such time as the matter is resolved to the satisfaction of the State Purchasing Agent or Central Purchasing Officer.

32. New Mexico Preferences

To ensure adequate consideration and application of §13-1-21, NMSA 1978 (as amended), Offerors **must** include a copy of their preference certificate with their proposal. Certificates for preferences must be obtained through the New Mexico Department of Taxation & Revenue <http://www.tax.newmexico.gov/Businesses/in-state-veteran-preference-certification.aspx>.

A. New Mexico Business Preference

A copy of the certification must accompany Offeror's proposal.

B. New Mexico Resident Veterans Business Preference

A copy of the certification must accompany Offeror's proposal.

An agency shall not award a business both a resident business preference and a resident veteran business preference.

III. RESPONSE FORMAT AND ORGANIZATION

A. NUMBER OF RESPONSES

Offerors shall submit only one proposal in response to this RFP.

B. NUMBER OF COPIES

Offeror's proposal must be clearly labeled and numbered and indexed as outlined in **Section III.C. Proposal Format**. Proposals must be submitted as outlined below. The original copy shall be clearly marked as such on the front of the binder. Each portion of the proposal (technical/cost) must be submitted in separate binders and must be prominently displayed on the front cover. Envelopes, packages, or boxes containing the original and the copies must be clearly labeled and submitted in a sealed envelope, package, or box bearing the following information:

Offerors should deliver:

1. **Technical Proposals** – One (1) ORIGINAL, one (1) HARD COPY, and three (3) electronic copies on USB of the proposal containing ONLY the Technical Proposal; ORIGINAL and HARD COPY shall be in separate labeled binders. **The electronic version/copy can NOT be emailed.**
 - i. Proposals containing confidential information **must** be submitted as two separate binders:
 - **Unredacted** version for evaluation purposes
 - **Redacted** version (information blacked out and not omitted or removed) for the public file
2. **Cost Proposals** – One (1) ORIGINAL, one (1) HARD COPY, and three (3) electronic copies on USB of the proposal containing ONLY the Cost Proposal; ORIGINAL and HARD COPY of Cost Proposal shall be in separate labeled binders from the Technical Proposals. **The electronic copies can NOT be emailed.**

The electronic version/copy of the proposal **must** mirror the physical binders submitted (i.e., three (3) **unredacted USB**; three (3) **redacted USB**). **The electronic versions can NOT be emailed.**

The original, hard copy and electronic copy information **must** be identical. In the event of a conflict between versions of the submitted proposal, the Original hard copy shall govern.

Any proposal that does not adhere to the requirements of this Section and **Section III.C.1 Response Format and Organization**, may be deemed non-responsive and rejected on that basis.

Both the electronic submission and the original proposal must be received no later than the time and date indicated in Section II.B.6. THEY MAY NOT BE EMAILED TO AGENCY.

Any proposal that does not adhere to the requirements of this Section and **Section III.C.1 Response Format and Organization** may be deemed non-responsive and rejected on that basis.

C. PROPOSAL FORMAT

All proposals must be typewritten on standard 8 ½ x 11 paper (larger paper is permissible for charts, spreadsheets, etc.) and placed within a binder with tabs delineating each section.

1. Proposal Content and Organization

The proposal must be organized and indexed in the following format and must contain, at a minimum, all listed items in the sequence indicated.

Technical Proposal – DO NOT INCLUDE ANY COST INFORMATION IN THE TECHNICAL PROPOSAL.

- A. Signed Letter of Transmittal
- B. Signed Campaign Contribution Form
- C. Table of Contents
- D. Proposal Summary
- E. Response to Contract Terms and Conditions (from Section II.C.15)
- F. Offeror's Additional Terms and Conditions (from Section II.C.16)
- G. Response to Specifications (**except Cost information which shall be included ONLY in Cost Proposal/Binder 2**)
 - 1. Independence
 - 2. Firm Capability & Capacity
 - 3. Partner, Supervisory and Staff Qualifications
 - 4. General Audit Approach
 - 5. Identification of Anticipated Potential Audit Problems
 - 6. Prior Engagement with the State of New Mexico
- H. Other Supporting Material

Cost Proposal:

- 1. Completed Cost Response Form (APPENDIX D)

Within each section of the proposal, Offerors should address the items in the order indicated above. All forms provided in this RFP must be thoroughly completed and included in the appropriate section of the proposal. **Any and all discussion of proposed costs, rates or expenses must occur ONLY in the Cost Proposal.**

Any proposal that does not adhere to these requirements may be deemed non-responsive and rejected on that basis.

A Proposal Summary may be included in Offeror's Technical Proposal, to provide the Evaluation Committee with an overview of the proposal; however, this material will not be used in the

evaluation process unless specifically referenced from other portions of the Offeror's proposal.
DO NOT INCLUDE COST INFORMATION IN THE PROPOSAL SUMMARY

IV. SPECIFICATIONS

A. DETAILED SCOPE OF WORK

Professional Audit Services:

- 1. Audit of the DPS's Financial Statement:** This audit will include at a minimum the following:
 - a. Review all governmental activities, business type activities and any component units of the DPS;
 - b. Prepare a level of planning;
 - c. Review of all Budgetary Comparison statements for general fund and any special revenue funding;
 - d. Review all Requirement Supplementary Information such as;
 - i. Management discussion and analysis;
 - ii. Data reporting regarding by Government Accounting Standard Board Standards to include but not limited to; GASB 97, 68, 43, and 74 pertaining to post-employment benefits or lease accounting;
 - iii. Any other schedule information required under State Audit Rule.
 - e. Review of all Supplementary Information such as;
 - i. Combining and individual fund financial statements;
 - ii. Schedule of expenditures of federal awards required by uniform guidance;
 - iii. Schedule of pledged collateral;
 - iv. Any other schedule information required under State Audit Rule.
- 2. Audit of the DPS's Federal Awards (Single Audit):** This includes at a minimum auditing all federal awards received by the DPS that are defined as meeting the threshold for audit as prescribed by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform guidance).
- 3. DPS Financial Statement Preparation:** This includes preparing all financial statements and at a minimum are to include the following:
 - a. Statement of Net Position;
 - b. Statement of Activities;
 - c. Governmental Fund Balance Sheets;
 - d. Reconciliation of Balance Sheet Governmental Funds to Statement of Net Position;
 - e. Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances;
 - f. Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to Statement of Activities;

- g. Budget to Actual Statements
- h. Statement of Fiduciary Assets – Agency Funds;
- i. Preparation of all Notes to the Financial Statements;
- j. Preparation of all Non-Major Fund Balance Sheets and Statement of Revenues, Expenditures and Changes in Fund Balance;
- k. Schedule of Changes in Fiduciary Assets and Liabilities;
- l. Presenting all Supplemental Schedules related to revenues received from Severance Tax Bond Proceeds, Special Appropriations, Schedule of Bank Accounts; Joint Powers Agreements;
- m. Schedule of Expenditures of Federal Awards and related notes.
- n. Reporting on Management Discussion and Analysis section.

The DPS accounting and management staff will be reviewing all statements prepared for final review and approval. Preparation of the financial statements must be considered as so long that the offeror has considered any threat to independence and mitigate the threat.

4. **Prepare Other Non-Audit Services:** Other services may include at a minimum:
 - a. Preparation and submission of the data collection form to the Federal Audit Clearinghouse;
 - b. Response to Office of the State Auditor draft review comments;
 - c. Training the DPS's accounting staff on best practices of preparation of supporting documents for capital asset and compensated absences notes, schedule of federal awards, implementation of new Government Accounting standards and any other trainings the DPS sees fit.
5. **Audit Communication:** The offeror must comply with requirements for auditor communication with those charged with governance of the DPS. Offerors must prepare the following at a minimum:
 - a. Engagement Letter: The Offeror must prepare a written and dated engagement letter addressed to appropriate DPS officials of the official start of audit services.
 - b. List of Client Prepared Documents: The Offeror must prepare a listing of all items needed from the DPS with anticipated due dates.
 - c. Entrance Conference: The Offeror must conduct an entrance conference outlining the overall audit plan. The plan should communicate significant milestones dates set to achieve completion of the audit by the OSA deadline for State Agency. Audit due dates are set by the Office of the State Auditor.
 - d. Audit Progress Meetings: The Offeror shall conduct weekly progress meetings to monitor audit deliverables from the DPS's Accounting Unit. During these meetings, the Offeror must facilitate dialogue of progress of the audit, any instance of non-compliance or internal control weaknesses. Reporting of any

audit findings should be completed in written format.

- e. Exit Conference: The Offeror must conduct an exit conference at the completion of the audit and provide results of the audit finding.
- f. Draft Financial Statements: The Offeror must provide a copy of draft financials for DPS review two weeks prior to OSA audit report deadlines.
- g. Submission of Draft Financial Statement: The Offeror must submit all final audit report to the State Auditor's Office on or before the OSA deadline for state agencies. Upon review comments by the State Auditor, the Offeror must respond to all comments and work with the State Auditor for final release of the report.
- h. Federal Clearing House Report Submission: Upon full release of the DPS's Financial Statements by the State Auditor the Offeror must communicate in writing the results of the audit report to Federal Clearing House. Submission to the Federal Clearing House should take place no later than ninety (90) days after State Auditor final release date.

Deliverables:

- 1. Engagement Letter and Provided by Client Listing (PBC) – to be provided to the Department within ten days after the audit entrance conference.
- 2. Financial Statements – draft copy to be completed by DPS's management for the IPA's review by October 15, 2021.
- 3. Final Audit Report for year one of the contract - is to be submitted to the Office of the State Auditor on or before November 1, 2021 – including Independent Auditor's Report; Management Discussion and Analysis; Financial Statements; Financial Statement Footnotes; Supplemental Schedules; Schedule of Expenditures of Federal Awards; Audit Findings; Status of Prior Year Finding; and all other materials required by Federal and or State audit oversight entities.
- 4. Draft of the audit report, working trial balance, adjusting journal entries are to be submitted to DFA-CAFR by DPS management by no later than October 22, 2021.
- 5. IPA to conduct Audit Progress Meetings, at least weekly, with DPS's financial and executive management staff.
- 6. IPA to provide the State of New Mexico's Department of Finance and Administration (DFA) any information required, including Audit Plan, and an Audit Schedule with Milestones that meets the criteria established by DFA.
- 7. To provide other audit related procedures, and information as requested and/or required by the Department's management, or Federal oversight agencies; Office of

the State Auditor; State Treasurer's Office; Department of Finance and Administration; and the Legislative Finance Committee.

8. IPA to present the Audit Report to the Department's executive and financial staff, and the Office of the State Auditor, at the Exit Conference. The Department's executive management may require audit workshop(s) to review the annual audit report and any areas of interest or concern regarding the Department's annual audit.
9. IPA to prepare the federally required "Data Collection Form" and provide it to the Chief Financial Officer, no later than 30 days after release of the Audit Report by the Office of the State Auditor and submit transmittal to the Federal Audit Clearinghouse.

B. INFORMATION

1. Agency Resources

The following resources will be provided to contractor personnel for use on this contract:

- * workspace
- * computer internet connection
- * access to SHARE at the appropriate level
- * access will be available to copiers and fax machines

Contractors will be subjected to fingerprints/background checks in order to obtain a security access to DPS locations and data.

2. Work Performance

For the purpose of preparing proposals, Offerors are to assume that all on-site work will be performed at the location identified below.

New Mexico Department of Public Safety
Administrative Services Division – Financial Management Bureau
2nd Floor
4491 Cerrillos Rd.
Santa Fe, NM 87507

However, there may be a need to also visit the facilities at the addresses below to review records:

New Mexico Law Enforcement Academy
4491 Cerrillos Rd.
Santa Fe, NM 87507

**Law Enforcement Records Bureau
Concealed Carry Unit**
6301 Indian School Rd, Ste. 310
Albuquerque, NM 87110

New Mexico State Police Fleet Warehouse
5880 Office Blvd. NE
Albuquerque, NM 87109

**New Mexico State Police District/Sub
District Offices**
Various locations statewide

3. Time Frame

The contract is scheduled to begin no later than July 1, 2021. The final draft of the contract deliverables for the first year are to be completed no later than November 1, 2021.

C. BUSINESS SPECIFICATIONS

Failure to respond to Mandatory Specifications will result in the disqualification of the proposal as non-responsive.

1. Independence

In a narrative format, Offeror must provide an affirmative statement that is independent of the Agency as defined by the U.S. General Accounting Office's *Government Auditing Standards* (2018 Revision).

The Offeror must also list and describe the Offeror's professional relationship involving the Agency for the past five (5) years, together with a statement explaining why such relationship does not constitute a conflict of interest relative to performing the proposed audit.

2. Firm Capability & Capacity

State the size of the firm, size of governmental audit staff, location of the office from which the work on this engagement is to be performed, number and nature of the professional staff to be employed in this engagement on a full-time basis, and the number and nature of the staff to be employed on a part-time basis.

Offerors are also required to submit a copy of the report of its most recent external quality control review (peer review) and a statement whether that quality control review included a review of specific government engagements.

Provide the results of any Federal or State of New Mexico desk reviews, or field reviews of its audits during the past three (3) years and disclose any circumstances and status of disciplinary action taken or pending with state regulatory bodies or professional organizations.

Offerors should also provide a copy of the profile submitted to the Office of the State Auditor, in accordance with Section 2.2.2 NMAC; including qualifications and area(s) of responsibility; and, a completed Campaign Contribution Disclosure Form as required by Senate Bill 344, signed into law March 6, 2006.

3. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in New Mexico.

Provide information on relevant, individual Continuing Professional Education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience, and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Offeror should include the name of the principal member of officer of the Offeror who will be responsible for the administration of the contract and an organizational chart indicating the names of all persons to be assigned to the project, their areas of expertise and the percent of time they will be assigned to the project.

4. General Audit Approach

Offerors should provide a work plan with milestones that includes audit timing and an explanation of the methods and technologies that will be used to perform the services required. The work plan should reference sources of information such as the Agency's budget and related materials, organizational charts, manuals and programs, financial and other management information systems.

In addition, Offerors need to demonstrate the depth and substance of audit findings by providing three sets of their assessed findings along with management's responses. They should be current findings from the previous two fiscal years.

5. Identification of Anticipated Potential Audit Problems

Offeror must identify and describe any anticipated potential audit problems, resolutions approach, and any assistance that will be requested from the Agency in order to meet the audit submission deadline of November 1, 2021 for year one of the contract and preclude the necessity for scope expansion and/or contract amendments.

6. License to Practice in New Mexico

Offeror must be licensed to practice public accounting in New Mexico. A statement of concurrence and a copy of the applicable license(s) are required. In addition, all Offeror-IPAs must appear on the Office of the State Auditor's list of IPAs eligible to conduct State agency audits for the State of New Mexico. A statement of concurrence is required.

7. Prior Engagements with the State of New Mexico

Offerors must list all engagements within the last five (5) calendar years, ranked on the basis of total staff hours, for the State of New Mexico by type of engagement (i.e., audit, management advisory services, other). For each engagement, the Offeror shall indicate the scope of work, beginning and ending dates that the engagement was performed, and the name and telephone number of the principal client contact.

8. Organizational Reference Questionnaire

Offerors should provide a minimum of three (3) references from similar projects performed for private, state, or large local government clients within the last three years. Offerors are required to submit APPENDIX F, Organization Reference Questionnaire, to the business references they list. The business references must submit the Reference Form directly to the designee described in Sec I Paragraph D. It is the Offeror's responsibility to ensure the completed forms are received on or before April 20, 2021, 3:00 pm MDT/MST for inclusion in the evaluation process.

Organizational References that are not received or are not complete, may adversely affect the vendor's score in the evaluation process. The Evaluation Committee may contact any or all business references for validation of information submitted. If this step is taken, the Procurement Manager and the Evaluation Committee must all be together on a conference call with the submitted reference so that the Procurement Manager and all members of the Evaluation Committee receive the same information. Additionally, the Agency reserves the right to consider any and all information available to it (outside of the Business Reference information required herein) in its evaluation of Offeror responsibility per Section II, Para C.18.

Offerors shall submit the following Business Reference information as part of Offer:

- a) Client name;
- b) Project description;
- c) Project dates (starting and ending);
- d) Technical environment (i.e., Software applications, Internet capabilities, Data communications, Network, Hardware);
- e) Staff assigned to reference engagement that will be designated for work per this RFP; and
- f) Client project manager name, telephone number, fax number and e-mail address.

D. TECHNICAL SPECIFICATIONS

1. Letter of Transmittal Form

The Offeror's proposal **must** be accompanied by the Letter of Transmittal Form located in APPENDIX E. The form **must** be completed and must be signed by the person authorized to obligate the company. **Failure to respond to ALL items, as indicated in Section II.C.30 and APPENDIX E, and to return a signed, unaltered form will result in Offeror's disqualification.**

2. Campaign Contribution Disclosure Form

The Offeror must complete an unaltered Campaign Contribution Disclosure Form and submit a signed copy with the Offeror's proposal. This must be accomplished whether or not an applicable contribution has been made. (See APPENDIX B). **Failure to complete and return the signed, unaltered form will result in Offeror's disqualification.**

3. Cost

Offerors must complete the Cost Response Form in APPENDIX D. The total proposed cost for performing the audit must be itemized for one (1) contract year, using the criteria below.

The Offeror shall propose, by designated category, an hourly composite rate and estimate of hours to complete each category, including all out-of-pocket, audit-related expenses, such as travel, per diem and applicable overhead.

The Offeror shall also provide a separate breakout of the following:

- Hourly rates to be charged by type of personnel, if applicable
- Monthly rate and number of hours estimated to complete the scope of services (this may be presented in phases of the work).
- Additional items to be included in cost such as travel, per diem, applicable overhead, etc.

4. Resident Business or Resident Veterans Preference

To ensure adequate consideration and application of NMSA 1978, § 13-1-21 (as amended), Offerors **MUST** include a copy, in this section, of its NM Resident preference certificate, as issued by the New Mexico Taxation and Revenue Department.

V. EVALUATION

A. EVALUATION POINT SUMMARY

The following is a summary of evaluation factors with point values assigned to each. These weighted factors will be used in the evaluation of individual potential Offeror proposals by sub-category.

Evaluation Factors <i>(Correspond to section IV.B and IV C)</i>	Points Available
B. Technical Specifications	
B. 1. Independence	Pass / Fail
B. 2. Firm Capability and Capacity	25
B. 3. Partner, Supervisory & Staff Qualifications	20
B. 4. General Audit Approach	25
B. 5. Identification of Anticipated Potential Audit Problems	10
B. 6. License to Practice in New Mexico	Pass / Fail
B. 7. Prior Engagements with the State of New Mexico	5
B. 8. Organizational Reference Questionnaire	5
C. Business Specifications	
C.1. Letter of Transmittal	Pass/Fail
C.2. Campaign Contribution Disclosure Form	Pass/Fail
C. 3. Cost	10
TOTAL POINTS AVAILABLE	100
C.4.A New Mexico Preference - Resident Vendor Points per Section IV C. 7	5
C.4.B New Mexico Preference - Resident Veterans Points per Section IV C.7	10

Table 1: Evaluation Point Summary

B. EVALUATION FACTORS

Points will be awarded on the basis of the following evaluation factors:

All Mandatory Factors will be evaluated on a “pass-fail” basis. Failure to include a Mandatory Factor will result in disqualification of the proposal.

1. B.1 Independence - (See Table 1)

Pass/Fail only. No points assigned.

2. B.2 Firm Capability & Capacity - (See Table 1)

State the size of the firm, size of governmental audit staff, location of the office from which the work on this engagement is to be performed, number and nature of the professional staff to be employed in this engagement on a full-time basis, and the number and nature of the staff to be employed on a part-time basis.

Offerors are also required to submit a copy of the report of its most recent external quality control review (peer review) and a statement whether that quality control review included a review of specific government engagements.

Provide the results of any Federal or State of New Mexico desk reviews, or field reviews of its audits during the past three (3) years and disclose any circumstances and status of disciplinary action taken or pending with state regulatory bodies or professional organizations.

Offerors should also provide a copy of the profile submitted to the Office of the State Auditor, in accordance with NMAC 2.2.2 (current version); and, a completed Campaign Contribution Disclosure Form as required by Senate Bill 344, signed into law March 6, 2006.

3. B.3 Partner, Supervisory and Staff Qualifications and Experience - (See Table 1)

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists, who would be assigned to the engagement and indicate whether each person is licensed to practice as a certified public accountant in New Mexico.

Provide information on relevant, individual CPE for the past three (3) years and membership of professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience, and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Offeror should include the name of the principal member or officer of the Offeror who will be responsible for the administration of the contract and an organizational chart indicating the names of all persons to be assigned to the project, their areas of expertise and the percent of time they will be assigned to the project.

4. B.4 General Audit Approach - (See Table 1)

Offerors should provide a work plan with milestones that includes audit timing and an explanation of the methods and technologies that will be used to perform the services required. The work plan should reference sources of information such as the Agency's

budget and related materials, organizational charts, manuals and programs, financial and other management information systems.

In addition, Offerors need to demonstrate the depth and substance of audit findings by providing three sets of their assessed findings along with management's responses. They should be current findings from the previous two fiscal years.

5. B.5 Identification of Anticipated Potential Audit Problems - (See Table 1)

Offeror must identify and describe any anticipated potential audit problems, resolutions approach, and any assistance that will be requested from the Agency in order to meet the audit submission deadline of November 1, 2021 and preclude the necessity for scope expansion and/or contract amendments.

6. B.6 License to Practice in New Mexico - (See Table 1)

Pass/Fail only. No points assigned.

7. B.7 Prior Engagements with the State of New Mexico - (See Table 1)

Offerors must list all engagements within the last five (5) calendar years, ranked on the basis of total staff hours, for the State of New Mexico by type of engagement (i.e., audit, management advisory services, other). For each engagement, the Offeror shall indicate the scope of work, beginning and ending dates that the engagement was performed, and the name and telephone number of the principal client contact.

8. B.8 Organizational Reference Questionnaire - (See Table 1)

Points will be awarded based upon an evaluation of the responses to a series of questions as per Appendix F. Evaluators will award points based on responses concerning quality of Offeror's services, timeliness of services, responsiveness to problem solving and the level of satisfaction with the Offeror's overall performance. Points will be awarded for each individual response not to exceed three references. Each reference response will be worth up to 1/3 of the total points for this category, not to exceed fifty (50) points available. Failure to provide any references will result in zero (0) points awarded to the offeror.

The Evaluation Committee may contact any or all business references for validation of information submitted. If this step is taken, the Procurement Manager and the Evaluation Committee must all be together on a conference call with the submitted reference so that the Procurement Manager and all members of the Evaluation Committee receive the same information. Additionally, the Agency reserves the right to consider any and all information available to it (outside of the Organizational Reference information required herein), in its evaluation of Offeror responsibility per Section II.C.18.

9. C.1 Letter of Transmittal (See Table 1)

Pass/Fail only. No points assigned.

10. C.2 Campaign Contribution Disclosure Form (See Table 1)

Pass/Fail only. No points assigned.

11. C.3 Cost (See Table 1)

The evaluation of each Offeror's cost proposal will be conducted using the following formula:

$$\frac{\text{Lowest Responsive Offeror's Cost}}{\text{Each Offeror's Cost}} \times \text{Available Award Points}$$

12. C.4 New Mexico Preferences - (See Table 1)

Percentages will be determined based upon the point-based system outlined in NMSA 1978, § 13-1-21 (as amended).

A. New Mexico Resident Business Preference

If the Offeror has provided a copy of their Preference Certificate, the Preference Points for a New Mexico Resident Business is 5% of the total points available in this RFP.

B. New Mexico Resident Veterans Business Preference

If the Offeror has provided a copy of their Preference Certificate, the Preference Points for a New Mexico Resident Veteran Business is 10% of the total points available in this RFP.

C. EVALUATION PROCESS

1. All Offeror proposals will be reviewed for compliance with the requirements and specifications stated within the RFP. Proposals deemed non-responsive will be eliminated from further consideration.
2. The Procurement Manager may contact the Offeror for clarification of the response as specified in Section II. B.7.
3. Responsive proposals will be evaluated on the factors in Section IV, which have been assigned a point value in Section V. The responsible Offerors with the highest scores will be selected as finalist Offerors, based upon the proposals submitted. In accordance with 13-1-117 NMSA 1978, the responsible Offerors whose proposals are most advantageous to the State taking into consideration the Evaluation Factors in Section V will be recommended for award (as specified in Section II.B.12). Please note, however, that a

serious deficiency in the response to any one factor may be grounds for rejection regardless of overall score.

The evaluation process will follow the steps listed below:

1. All Offeror proposals will be reviewed for compliance with the mandatory requirements stated within the RFP. Proposals deemed non-responsive will be eliminated from further consideration.
2. The Procurement Manager may contact the Offeror for clarification of the response as specified in Section II, B, 6.
3. The Evaluation Committee may use other sources of information to perform the evaluation.
4. Responsive proposals will be evaluated on the factors in Section V that have been assigned a point value. The responsible offeror whose proposal is most advantageous to the Agency, taking into consideration the evaluation factors set forth in the RFP, will be recommended for contract award.
5. The procurement manager shall make a written determination in the form of a committee report showing the basis on which the recommended award was found to be most advantageous to the state agency.

* Please note, that a serious deficiency in the response to any one factor may be grounds for rejection regardless of overall score

END OF INSTRUCTIONS. APPENDICES BEGIN ON NEXT PAGE

APPENDIX A

REQUEST FOR PROPOSAL

FINANCIAL AND COMPLIANCE AUDITING SERVICES RFP# 00-79000-21-01498 ACKNOWLEDGEMENT OF RECEIPT FORM

This Acknowledgement of Receipt Form should be signed and submitted no later than **April 6, 2021, 3:00 pm MDT/MST**. Only potential Offerors who elect to return this form will receive copies of all submitted questions and the written responses to those questions, as well as any RFP amendments, if any are issued.

In acknowledgement of receipt of this Request for Proposal, the undersigned agrees that he or she has received a complete copy of the RFP, beginning with the title page, and ending with APPENDIX F.

The name and address below will be used for all correspondence related to the Request for Proposal.

ORGANIZATION: _____

CONTACT NAME: _____

TITLE: _____ PHONE NO.: _____

E-MAIL: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP CODE: _____

Submit Acknowledgement of Receipt Form to:

To: Yvette Gonzales

E-mail: yvette.gonzales3@state.nm.us

Fax #: (505) 827-9169

Subject Line: Financial and Compliance Auditing Services; RFP #00-21-7900-01498

APPENDIX B

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, Sections 13-1-28, et seq., NMSA 1978 and NMSA 1978, § 13-1-191.1 (2006), as amended by Laws of 2007, Chapter 234, a prospective contractor subject to this section shall disclose all campaign contributions given by the prospective contractor or a family member or representative of the prospective contractor to an applicable public official of the state or a local public body during the two years prior to the date on which a proposal is submitted or, in the case of a sole source or small purchase contract, the two years prior to the date on which the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor or a family member or representative of the prospective contractor to the public official exceeds two hundred fifty dollars (\$250) over the two-year period. A prospective contractor submitting a disclosure statement pursuant to this section who has not contributed to an applicable public official, whose family members have not contributed to an applicable public official or whose representatives have not contributed to an applicable public official shall make a statement that no contribution was made.

A prospective contractor or a family member or representative of the prospective contractor shall not give a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or during the pendency of negotiations for a sole source or small purchase contract.

Furthermore, a solicitation or proposed award for a proposed contract may be canceled pursuant to Section [13-1-181](#) NMSA 1978 or a contract that is executed may be ratified or terminated pursuant to Section [13-1-182](#) NMSA 1978 if a prospective contractor fails to submit a fully completed disclosure statement pursuant to this section; or a prospective contractor or family member or representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of every applicable public official, if any, for which disclosure is required by a prospective contractor.

THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

“Applicable public official” means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract

for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

“Campaign Contribution” means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect, or expend contributions on that official’s behalf for the purpose of electing the official to statewide or local office. “Campaign Contribution” includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

“Family member” means a spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law, or son-in-law of (a) a prospective contractor, if the prospective contractor is a natural person; or (b) an owner of a prospective contractor;

“Pendency of the procurement process” means the time period commencing with the public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

“Prospective contractor” means a person or business that is subject to the competitive sealed proposal process set forth in the Procurement Code [Sections [13-1-28](#) through [13-1-199](#) NMSA 1978] or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or small purchase contract.

“Representative of a prospective contractor” means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

Name(s) of Applicable Public Official(s) if any: _____
(Completed by State Agency or Local Public Body)

DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Date Contribution(s) Made: _____

Amount(s) of Contribution(s) _____

Nature of Contribution(s) _____

Purpose of Contribution(s) _____

(Attach extra pages if necessary)

Signature Date

Title (position)

--OR--

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS (\$250) WERE MADE to an applicable public official by me, a family member or representative.

Signature Date

Title (Position)

APPENDIX C

Contract No. [FILLED IN BY OSA-CONNECT]

**STATE OF NEW MEXICO
AUDIT CONTRACT
(State Agencies with GSB/CRB Approval)**

[FILLED IN BY OSA-CONNECT]

hereinafter referred to as the "Agency," and

[FILLED IN BY OSA-CONNECT]

hereinafter referred to as the "Contractor," agree:

As required by the Audit Rule, NMAC Section 2.2.2.1 et seq., Contractor agrees to, and shall, inform the Agency of any restriction placed on Contractor by the Office of the State Auditor pursuant to NMAC Section 2.2.2.8, and whether the Contractor is eligible to enter into this Contract despite the restriction.

1. SCOPE OF WORK (Include in Paragraph 26 any expansion of scope)

- A. The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year [FILLED IN BY OSA-CONNECT] in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Audit Act, and the Audit Rule (NMAC Section 2.2.2.1 et seq.).

2. DELIVERY AND REPRODUCTION

- A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents to the State Auditor no later than **sixty days** after the Financial Control Division of the Department of Finance and Administration (FCD of DFA) provides the State Auditor with notice that the Agency's books and records are ready and available for audit, and in any event no later than the deadline set forth for the Agency in NMAC Section 2.2.2.9:
- (1) an organized, bound, and paginated hard copy of the Agency's audit report for review;
 - (2) a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-C 580; and

(3) a copy of the completed State Auditor Report Review Guide available at www.osanm.org;

- B. In accordance with FCD requirements, the Agency, with the help of the Contractor, shall identify a schedule of audit deliverables and agreed-to milestones for the audit to ensure that the Agency's books and records are ready and available for audit and the Contractor delivers services on time. The deadline of sixty days shall be based on the schedule of audit deliverables and agreed upon milestones; however, the deadline **shall not extend beyond the deadline set forth for the Agency in NMAC Section 2.2.2.9**. This requirement does not prevent the Contractor from performing interim audit work prior to receipt of the DFA notice of agency preparedness.
- C. Reports postmarked by the Agency's due date will be considered received by the due date for purposes of NMAC Section 2.2.2.9. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with NMAC Section 2.2.2.13. If the State Auditor does not receive copies of the management representation letter and the completed Report Review Guide with the audit report or prior to submittal of the audit report, the State Auditor will not consider the report submitted to the State Auditor.
- D. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor. The notification shall include an explanation regarding why the audit report will be late, when the IPA expects to submit the report and a concurring signature by the Agency.
- E. Pursuant to NMAC Section 2.2.2.10, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.
- F. After its review of the audit report pursuant to NMAC Section 2.2.2.13, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days after the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor an electronic version of the audit report, in PDF format, and the electronic copy of the Excel version of the Summary of Findings Form, Vendor Schedule, Fund Balances, and any GASB 77 data (if applicable). After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver [FILLED IN BY OSA-CONNECT] copies of the audit report to the Agency. The Agency or Contractor shall ensure that every member of the Agency's governing authority shall receive a copy of the report.
- G. The Agency, upon delivery of its audit report, shall submit to the Federal Audit Clearinghouse (FAC) the completed data collection form and the reporting package described in § 200.512 of Uniform Guidance for Federal Awards. The submission is required to be made within 30 calendar days of receipt of the auditor's report, or nine months after the end of the audit period.

3. COMPENSATION

- A. The total amount payable by the Agency to the Contractor under this Contract shall not exceed [FILLED IN BY OSA-CONNECT] **plus applicable gross receipts tax.**
- B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.
- C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
(1) Financial statement audit	[FILLED IN BY OSA-CONNECT]
(2) Federal single audit	[FILLED IN BY OSA-CONNECT]
(3) Financial statement preparation	[FILLED IN BY OSA-CONNECT]
(4) Other nonaudit services, such as depreciation schedule updates	[FILLED IN BY OSA-CONNECT]
(5) Other (i.e., foundations or other component units, specifically identified)	[FILLED IN BY OSA-CONNECT]

Total Compensation = [FILLED IN BY OSA-CONNECT] plus applicable gross receipts tax

- D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.
- E. The State Auditor may authorize progress payments to the Contractor by the Agency; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. Progress payments up to 70% do not require State Auditor approval, provided that the Agency certifies receipt of services. The Agency must monitor audit progress and make progress payments only up to the percentage that the audit is completed prior to making such payment. Progress payments of 70% or more but less than or equal to 90% require State Auditor approval after being approved by the Agency. If requested by the State Auditor, the Agency shall provide a copy of the approved progress billings. The State Auditor may allow only the first 50% of progress payments to be made without State Auditor approval if the Contractor's previous audits were submitted after the due date. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release

letter that the audit has been made in accordance with the provisions of this Contract and applicable rules of the State Auditor.

4. TERM.

THIS CONTRACT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE STATE AUDITOR AND THE NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION. Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the date on which it is signed by the Department of Finance and Administration.

5. TERMINATION, BREACH AND REMEDIES

A. This Contract may be terminated:

- (1) By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
- (2) By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with this Contract shall constitute a material breach of this Contract.
- (3) By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
- (4) By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.

B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.

C. Pursuant to NMAC Section 2.2.2.8, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances, or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.

D. THE REMEDIES HEREIN ARE NOT EXCLUSIVE, AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.

6. STATUS OF CONTRACTOR

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the Agency. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the Agency as a result of this Contract. The Contractor agrees not to purport to bind the State of New Mexico to any obligation not assumed under this Contract unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. ASSIGNMENT

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract.

8. SUBCONTRACTING

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid. Pursuant to NMAC Section 2.2.2.8, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms, and that are not otherwise restricted by the Office from entering into such a contract.

9. RECORDS

The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency or the State Auditor. The Agency or the State Auditor may audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

10. RELEASE

The Contractor, upon receiving final payment of the amounts due under the Contract, releases the State Auditor, the Agency, their respective officers and employees and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Contract. This paragraph does not release the Contractor from any liabilities, claims or obligations whatsoever arising from or under this Contract.

11. CONFIDENTIALITY

All information provided to or developed by the Contractor from any source whatsoever in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor, except in accordance with this Contract or applicable standards, without the prior written approval of the Agency and the State Auditor.

12. PRODUCT OF SERVICES; COPYRIGHT AND REPORT USE

Nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. The Agency and the State Auditor may post an audited financial statement on their respective websites once it is publicly released by the State Auditor. The Contractor agrees that the Financial Control Division of the Department of Finance and Administration (DFA) is free to use the audited financial statements in the statewide Comprehensive Annual Financial Report (CAFR) and that the Contractor's audit report may be relied upon during the audit of the statewide CAFR, if applicable. However, DFA should not provide to any third party, other than the CAFR auditor, the Agency's draft audit reports or their opinion letters or findings.

13. CONFLICT OF INTEREST

The Contractor represents and warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. Each of the Contractor and the Agency certifies that it has followed the requirements of the Governmental Conduct Act, Section 10-16-1, et seq., NMSA 1978, regarding contracting with a public officer, state employee or former state employee, as required by the applicable professional standards.

14. INDEPENDENCE

The Contractor represents and warrants its personal, external, and organizational independence from the Agency in accordance with the *Government Auditing Standards 2011 Revision*, issued by the Comptroller General of the United States, and NMAC Section 2.2.2.8. The Contractor shall immediately notify the State Auditor and the Agency in writing if any impairment to the Contractor's independence occurs or may occur during the period of this Contract.

15. AMENDMENT

This Contract shall not be altered, changed, or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

16. MERGER

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to NMAC Section 2.2.2.10, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). **The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.**

17. APPLICABLE LAW

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor irrevocably consents to the exclusive personal jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising from or related to this Contract.

18. AGENCY BOOKS AND RECORDS

The Agency is responsible for maintaining control of all books and records at all times and the Contractor shall not remove any books and records from the Agency's possession for any reason.

19. APPROPRIATIONS

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the legislature or the Agency's governing body for the performance of this Contract. If sufficient appropriations and authorization are not made by the legislature or the Agency's governing body, this Contract shall terminate upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. This section of the Contract does not supersede the Agency's requirement to have an annual audit pursuant to Section 12-6-3(A) NMSA 1978.

20. PENALTIES FOR VIOLATION OF LAW

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks.

21. EQUAL OPPORTUNITY COMPLIANCE

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

22. WORKING PAPERS

- A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.
- B. The Contractor shall follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510. A3 to A11 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

23. DESIGNATED ON-SITE STAFF

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is [FILLED IN BY OSA-CONNECT]. The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

24. INVALID TERM OR CONDITION

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected.

25. OTHER PROVISIONS

[FILLED IN BY OSA-CONNECT]

SIGNATURE PAGE

This Contract is made effective as of the date of the signature of the General Services Department/Contracts Review Bureau.

AGENCY

[FILLED IN BY OSA-CONNECT]

PRINTED
NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

CONTRACTOR

[FILLED IN BY OSA-CONNECT]

PRINTED
NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

STATE AGENCY

BY: _____

TITLE: GENERAL COUNSEL

DATE: _____

AGENCY CFO

BY: _____

TITLE: CHIEF FINANCIAL OFFICER

DATE: _____

This Contract has been approved by:

GENERAL SERVICES DEPARTMENT
CONTRACTS REVIEW BUREAU

BY: _____

DATE: _____

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

ID No. _____
By: _____
Date: _____

State Auditor Contract No. [FISCAL YEAR]- [AGENCY NUMBER]

APPENDIX D
COST RESPONSE FORM

Cost / Hours per Task

- | | |
|---|-------|
| 1. DPS Financial Statement Audit | _____ |
| 2. DPS Federal Single Audit
(To include audit of Coronavirus Relief Grant) | _____ |
| 3. DPS Financial Statement
Preparation | _____ |
| 4. DPS other non-audit Services | _____ |

Subtotal _____

Gross Receipts Tax _____

Total Compensation _____

Offeror Name: _____

Offeror Signature: _____

Date: _____

APPENDIX E

Letter of Transmittal Form

**ITEMS #1 to #4 EACH MUST BE COMPLETED IN FULL (pursuant to Section II.C.30).
FAILURE TO RESPOND TO ALL FOUR (4) ITEMS WILL RESULT IN THE
DISQUALIFICATION OF OFFEROR'S PROPOSAL! DO NOT LEAVE ANY ITEM BLANK!**
(N/A, None, Does not apply, etc. are acceptable responses.)

RFP#00-79000-21-01498

1. Identify the following information for the submitting organization:

Offeror Name	
Mailing Address	
Telephone	
FED ID#	
NM CRS#	

2. Identify the individual(s) authorized by the organization to (A) contractually obligate, (B) negotiate, and/or (C) clarify/respond to queries on behalf of this Offeror:

	A Contractually Obligate	B Negotiate*	C Clarify/Respond to Queries*
Name			
Title			
E-mail			
Telephone			

* If the individual identified in Column A also performs the functions identified in Columns B & C, then no response is required for those Columns.
If separate individuals perform the functions in Columns B and/or C, they must be identified.

3. Use of subcontractors (Must affirm):

_____ No subcontractors will be used in the performance of any resultant contract,

4. Describe any relationship with any entity (such as a State Agency, reseller, etc. that is not a subcontractor as prohibited by #3 above), if any, which will be used in the performance of any resultant contract. (N/A, None, Does not apply, etc. are acceptable responses to this item.)

(Attach extra sheets, as needed)

By signing the form below, the Authorized Signatory attests to the accuracy and veracity of the information provided on this form, and explicitly acknowledges the following:

- On behalf of the submitting-organization identified in item #1, above, I accept the Conditions Governing the Procurement, as required in Section II.C.1. of this RFP;
- I concur that submission of our proposal constitutes acceptance of the Evaluation Factors contained in Section V of this RFP; and
- I acknowledge receipt of any and all amendments to this RFP, if any.

_____, 20_____
Authorized Signature and Date (*Must be signed by the individual identified in item #2. A, above.*)

APPENDIX F

ORGANIZATIONAL REFERENCE QUESTIONNAIRE

The State of New Mexico, as a part of the RFP process, requires Offerors to list a minimum of three (3) organizational references in their proposals. The purpose of these references is to document Offeror's experience relevant to the Section IV.A, Detailed Scope of Work in an effort to evaluate Offeror's ability to provide goods and/or services, performance under similar contracts, and ability to provide knowledgeable and experienced staffing.

Offeror is required to send the following Organizational Reference Questionnaire to each business reference listed in its proposal, as per Section IV.B.8. The business reference, if it chooses to respond, is required to submit its response to the Organizational Reference Questionnaire directly to: Yvette Gonzales at yvette.gonzales3@state.nm.us by **April 20, 2021, 3:00 pm MST/MDT** for inclusion in the evaluation process. The Questionnaire and information provided will become a part of the submitted proposal. Businesses/Organizations providing references may be contacted for validation of content provided therein.

RFP # 00-79000-21-01498
ORGANIZATIONAL REFERENCE QUESTIONNAIRE
FOR:

(Name of Offeror)

This form is being submitted to your company for completion as a reference for the organization listed above. This Questionnaire is to be submitted to the State of New Mexico, Department of Public Safety via e-mail at:

Name: Yvette Gonzales
Address: 4491 Cerrillos Road
Santa Fe, NM 87507
Email: yvette.gonzales3@state.nm.us

Forms must be submitted no later than **April 20, 2021 3:00 pm MDT/MST** and **must not** be returned to the organization requesting the reference. References are **strongly encouraged** to provide comments in response to organizational ratings.

For questions or concerns regarding this form, please contact the State of New Mexico **Procurement Manager** listed above. When contacting the Procurement Manager, include the Request for Proposal number provided at the top of this page.

Organization providing reference	
Contact name and title/position	
Contact telephone number(s)	
Contact e-mail address	
Project description	
Project dates (start and end dates)	
Technical environment for the project you are providing a reference (i.e., Software applications, Internet capabilities, Data communications, Network, Hardware);	

QUESTIONS:

1. In what capacity have you worked with this vendor in the past?

COMMENTS:

2. How would you rate this firm's knowledge and expertise?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

COMMENTS:

3. How would you rate the vendor's flexibility relative to changes in the project scope and timelines?

_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

COMMENTS:

4. What is your level of satisfaction with hard-copy materials produced by the vendor?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable, N/A = Not applicable)

COMMENTS:

5. How would you rate the dynamics/interaction between vendor personnel and your staff?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

COMMENTS:

6. Who are/were the vendor's principal representatives involved in your project and how would you rate them individually? Would you, please, comment on the skills, knowledge, behaviors, or other factors on which you based the rating?

_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

Name: _____ Rating:

Name: _____ Rating:

Name: _____ Rating:

Name: _____ Rating:

COMMENTS:

7. How satisfied are/were you with the products developed by the vendor?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable, N/A = Not applicable)

COMMENTS:

8. With which aspect(s) of this vendor's services are/were you most satisfied?

COMMENTS:

9. With which aspect(s) of this vendor's services are/were you least satisfied?

COMMENTS:

10. Would you recommend this vendor's services to your organization again?

COMMENTS: